



Wireless Broadband
Technologies
Submission No.45.....

~~Xtreme Business~~
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Friday, June 28, 2002

Brendhan Egan

Inquiry Secretary
House of Representatives Standing Committee on Communications, IT & the Arts
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Dear Brendhan,

Re: Broadband Enquiry Submission

THE REGIONAL CONTEXT

I am writing to highlight a situation that places businesses at a distinct disadvantage, when they elect to carry on business and provide employment in a regional setting.

Midac has been involved in leading edge IT R&D since 1981 and shifted from Sydney about ten years ago, to be located in the Hunter Region, initially to the Monkerai valley in the foothill of the Barrington Tops.

The writer is a director of Midac and also a director of HunterTech, the Hunter Region technology businesses consortium. At www.HunterTech.com.au, you can gain a better understanding of the writer by searching for Kevin Johnson Bade. To gain a better understanding of Midac, see: ww.XtremeBusiness.com.

In essence, my submission states that regionally located businesses were at a disadvantage ten years ago in relation to data communications and that even with the works that Telstra has undertaken, the situation has worsened with the growing necessity for broad band.

We have had a very close encounter with Telstra (actually Government Telecommunications Policy as interpreted by Telstra) since our shifting from Sydney. I do believe that our companies R&D/Engineering background has placed us in an interesting position. One where the wool could not be pulled over our eyes quite as easily.

Some six years ago we had to shift our business from Upper Monkerai to Dungog, because Telstra could not provide us with services at Monkerai. These were services that would be expected as the "norm" in Sydney. IE regular dependable telephone, fax and data (via modem) services. After three years, Telstra admitted that they could not provide the services that they had been charging us for.

*Now the norm for business (in particular such as ours) is a broad band connection at a reasonable price. Indeed, it is essential to our business. To achieve that **now**, we must move our business not just to Dungog from Monkerai, but further. Indeed we have to consider relocation to say, Maitland or Newcastle.*

In other words, the position "in the bush" has gone backwards. Alternatively, one might conclude that the radius of the disaffected "bush" region has effectively been extended. In our specific example, from an area beginning 15km from the Wards River exchange, to one actually including the exchange and a whole bunch of surrounding towns, along with the entire Shires of Dungog and Gloucester.

So how has Telstra helped with broad band? Their advertising would suggest a solution. Well we could use bi-directional satellite, with a large installation cost and then about \$600 per month! That is for a lesser service than our friends in Sydney receive for a fraction of the cost!

So nix has changed: Telstra continues to charge a business / user in the bush a great deal more for a great deal less. Broad band or narrow band.

Also, in the town of Dungog, the government has made broad band available (via a grant) to non-profit entities such as the library, Council and CTC. Whereas a business such as ours, providing local employment and building the economy, cannot apply for an equivalent service. Our experience over the past ten years reveals a trend that will effectively push businesses such as ours out of the country and back toward the city (Bush Creep).

The alternative is for the government to put a Broadband Regional Assistance Plan in place: The B-RAP would subsidise broad band service to approved businesses in the bush.

Yours sincerely

Kevin Johnson-Bade

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